

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: PURDUE PHARMA L.P., et al.,
Debtors

Case No.: 19-23649 (RDD)
Reporting Period January 1, 2020 to January 31, 2020

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation
			Attached
Schedule of Cash Receipts and Disbursements	MOR-1a	Yes	-
Bank Account Balances	MOR-1b	Yes	-
Consolidated Statement of Operations	MOR-2	Yes	-
Consolidated Balance Sheet	MOR-3	Yes	-
Schedule of Post-petition Taxes	MOR-4	-	Yes
Schedule of Payments to Insiders and Restructuring Professional Fees	MOR-5	Yes	-
Debtor Questionnaire	MOR-6	Yes	-

This Monthly Operating Report has been prepared solely for the purposes of complying with the monthly reporting requirements applicable in these chapter 11 cases and is in a format that the Debtors believe is acceptable to the United States Trustee. The financial information contained herein is limited in scope and covers a limited time period. Moreover, such information is preliminary and unaudited, and is not prepared in accordance with GAAP.

I declare under penalty of perjury that this report and the attached documents are true and correct to the best of my knowledge and belief.

J. A. Lowe
Signature of Authorized Individual*

2/20/2020
Date

JOHN LOWE
Printed Name of Authorized Individual

2/20/2020
Date

*Authorized individual must be an officer, director or shareholder if debtor is a corporation.

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SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS (\$)

Case No.	Debtor Entity Name:	Net Receipts ²	Net Disbursements ¹
19-23648	PURDUE PHARMA INC.	-	\$ 1,570,010
19-23649	PURDUE PHARMA L.P.	97,539,218	\$ 86,549,935
19-23650	PURDUE TRANSDERMAL TECHNOLOGIES, L.P.	-	\$ -
19-23651	PURDUE PHARMA MANUFACTURING L.P.	-	\$ 240,757
19-23652	PURDUE PHARMACEUTICALS L.P.	-	\$ 5,291,518
19-23653	IMBRIUM THERAPEUTICS L.P.	-	\$ 1,480,348
19-23654	ADLON THERAPEUTICS L.P.	-	\$ 4,000,695
19-23655	GREENFIELD BIO VENTURES L.P.	-	\$ 73,926
19-23656	SEVEN SEAS HILL CORP.	-	\$ -
19-23657	OPHIR GREEN CORP.	-	\$ -
19-23658	PURDUE PHARMA OF PUERTO RICO	-	\$ 2,088
19-23659	AVRIO HEALTH L.P.	19,917	\$ 3,636,476
19-23660	PURDUE PHARMACEUTICAL PRODUCTS L.P.	-	\$ -
19-23661	PURDUE NEUROSCIENCE COMPANY	-	\$ -
19-23662	NAYATT COVE LIFESCIENCE INC.	-	\$ 231,554
19-23663	BUTTON LAND L.P.	-	\$ 181
19-23664	PAUL LAND INC.	-	\$ -
19-23665	QUIDNICK LAND L.P.	-	\$ 215
19-23666	RHODES ASSOCIATES L.P.	-	\$ -
19-23667	RHODES PHARMACEUTICALS L.P.	11,250,097	\$ 10,973,996
19-23668	RHODES TECHNOLOGIES	1,545,956	\$ 4,271,029
19-23669	UDF LP	-	\$ -
19-23670	SVC PHARMA LP	-	\$ 261,329
19-23671	SVC PHARMA INC.	-	\$ -
Totals:		\$ 110,355,188	\$ 118,584,058

Footnotes

- 1) The Net Disbursements exclude intercompany transactions among Debtors
- 2) The Net Receipts exclude intercompany transactions among Debtors

In re: PURDUE PHARMA L.P., et al.,
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BANK ACCOUNT BALANCES (\$)

Debtor	Bank	Account Number	Description	Balance as of Month End
Purdue Pharma L.P.	American Express National Bank (Restricted Cash)	xxxxxxx65041	CD	750,000
Purdue Pharma L.P.	Wells Fargo (Restricted Cash)	xxxx2400	Escrow	10,827,373
Purdue Pharma L.P.	Wells Fargo (Restricted Cash)	xxxx3900	Escrow	-
Purdue Pharma L.P.	East West Bank	xxxxxx9773	LOC/Collateral	10,010,351
Purdue Pharma L.P.	East West Bank	xxxxxx9808	LOC/Collateral	3,503,594
Purdue Pharma L.P.	East West Bank	xxxxxx9836	LOC/Collateral	1,661,758
Purdue Pharma L.P.	East West Bank	xxxxxx9136	Account	201,138,644
Purdue Pharma L.P.	Metropolitan Commercial Bank	xxxxxx4813	Account	100,276,877
Purdue Pharma L.P.	Bank of Oklahoma	xxxxx8720	Account	100,119,098
Purdue Pharma L.P.	JPMorgan/Dreyfus Funds #761	xxxx7720	Money Market Fund	-
Purdue Pharma L.P.	Goldman Sachs #520	xxxx8266	Money Market Fund	53,690,147
Purdue Pharma L.P.	Goldman Sachs #506	xxxx0462	Money Market Fund	638,966,824
Purdue Pharma L.P.	JP Morgan Chase	xxxxx5837	Operating	-
Purdue Pharma L.P.	East West Bank	xxxxxx9129	Operating	15,692,374
Purdue Pharma L.P.	JP Morgan Chase	xxxxxxxxx8509	Operating	-
Purdue Pharma L.P.	JP Morgan Chase	xxxxx8921	Operating	-
Purdue Pharma L.P.	JP Morgan Chase	xxxxx2890	Operating	-
Purdue Pharma L.P.	East West Bank	xxxxxx9388	ERISA	230,325
Purdue Pharma L.P.	East West Bank	xxxxxx9549	Operating	350,663
Purdue Pharma L.P.	East West Bank (Restricted Cash)	xxxxxx9304	Restricted Account	-
Purdue Pharma L.P.	Wells Fargo (Restricted Cash)	xxxx1100	Trust	10,235,848
Purdue Pharma L.P.	Wells Fargo (Restricted Cash)	xxxx6600	Trust	58,964,466
Purdue Pharma L.P.	Metropolitan Commercial Bank (Restricted Cash)	xxxxxx6077	Trust	12,012,571
Purdue Pharma L.P.	Metropolitan Commercial Bank (Restricted Cash)	xxxxxx4767	Trust	125,309,380
Purdue Pharma L.P.	Wells Fargo (Restricted Cash)	xxxx0300	Trust	10,355,539
Purdue Pharma L.P.	Bank of Oklahoma	xxxxx4018	Trust	25,061,316
Purdue Pharma Inc.	East West Bank	xxxxxx9213	Operating	165,353
Purdue Pharma Inc.	JP Morgan Chase	xxxxx2866	Operating	-
Purdue Pharmaceuticals L.P.	Wells Fargo (Restricted Cash)	xxxx5300	Trust	125,474
Imbrium Therapeutics L.P.	JP Morgan Chase	xxxxx1191	Operating	-
Imbrium Therapeutics L.P.	East West Bank	xxxxxx9241	Operating	-
Adlon Therapeutics L.P.	East West Bank	xxxxxx9248	Operating	-
Adlon Therapeutics L.P.	JP Morgan Chase	xxxxx5999	Operating	-
Greenfield BioVentures L.P.	JP Morgan Chase	xxxxx1118	Operating	-
Greenfield BioVentures L.P.	East West Bank	xxxxxx9234	Operating	-
Purdue Pharma of Puerto Rico	East West Bank	xxxxxx9185	Operating	-
Purdue Pharma of Puerto Rico	JP Morgan Chase	xxxxx5485	Operating	-
Avrio Health L.P.	East West Bank	xxxxxx9199	Operating	-
Avrio Health L.P.	JP Morgan Chase	xxxxx9278	Operating	-
Purdue Neuroscience Company	East West Bank	xxxxxx9227	Operating	-
Purdue Neuroscience Company	JP Morgan Chase	xxxxx6535	Operating	-
Nayatt Cove Lifescience Inc.	JP Morgan Chase	xxxxx8162	Operating	-
Nayatt Cove Lifescience Inc.	East West Bank	xxxxxx9220	Operating	-
Button Land L.P.	East West Bank	xxxxxx9297	Operating	-
Button Land L.P.	JP Morgan Chase	xxxxx1875	Operating	-
Paul Land Inc.	East West Bank	xxxxxx9290	Operating	-
Paul Land Inc.	JP Morgan Chase	xxxxx1859	Operating	-
Quidnick Land L.P.	JP Morgan Chase	xxxxx1891	Operating	-
Quidnick Land L.P.	East West Bank	xxxxxx9304	Operating	-
Rhodes Pharmaceuticals L.P.	JPMorgan/Dreyfus Funds #761	xxxx3154	Money Market Fund	-
Rhodes Pharmaceuticals L.P.	East West Bank	xxxxxx9269	Operating	-
Rhodes Pharmaceuticals L.P.	JP Morgan Chase	xxxxx6220	Operating	-
Rhodes Technologies	JPMorgan/Dreyfus Funds #761	xxxx3153	Money Market Fund	-

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BANK ACCOUNT BALANCES (\$)

Debtor	Bank	Account Number	Description	Balance as of Month End
Rhodes Technologies	JP Morgan Chase	xxxxxxxxx2509	Operating	-
Rhodes Technologies	JP Morgan Chase	xxxxxx6362	Operating	-
Rhodes Technologies	East West Bank	xxxxxx9262	Operating	-
SVC Pharma LP	JP Morgan Chase	xxxxxx9855	Operating	-
SVC Pharma LP	East West Bank	xxxxxx9276	Operating	-
SVC Pharma Inc.	JP Morgan Chase	xxxxxx9863	Operating	-
SVC Pharma Inc.	East West Bank	xxxxxx9283	Operating	-
Total				1,379,447,976

In re: **PURDUE PHARMA L.P., et al.,
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CONSOLIDATED STATEMENT OF OPERATIONS (\$M) ^{1,2}
Consolidated Results of Purdue Pharma, L.P. and all Debtors except Purdue Pharma, Inc.

	Current Month	2020 Year to Date	2019 Cumulative ³
Net Sales	\$90	\$90	\$401
Cost of Goods Sold	159	159	(21)
Royalty Expense	41	41	(3)
Shipping and Warehousing	9	9	(1)
Cost of Goods Sold	(25)	(25)	(125)
Gross Profit	65	65	275
Sales and Promotion	(11)	(11)	(49)
Research and Development	(9)	(9)	(43)
General and Administrative	(9)	(9)	(49)
Legal Fees - Ordinary Course	(1)	(1)	(4)
Medical Affairs	(3)	(3)	(14)
Milestones & Alliances	-	-	(1)
Health Care Reform Fee	(1)	(1)	(5)
Other US	-	-	(1)
Incentive Bonus	(3)	(3)	(19)
Insurance Income	-	-	-
Settlement Expense	-	-	-
Total Operating Expenses	(37)	(37)	(185)
Operating Profit	28	28	91
Legal Fees - Non-Recurring	(20)	(20)	(117)
Other	-	-	(7)
Total Non-Operating Expenses	(20)	(20)	(124)
Profit	8.0	8.0	(\$33)

Footnotes

1) The numbers reflected in the Consolidated Statement of Operations are shown in MILLIONS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary and unaudited. The financial position and results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and as a result, may not reflect the consolidated financial position and results of operations of the Debtors in the future.

3) Cumulative results for 2019 are beginning September 1, 2019 as operating results for the partial month from the filing date of September 15, 2019 to September 30, 2019 are not available.

In re: PURDUE PHARMA L.P., et al.,
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PURDUE PHARMA, INC. STATEMENT OF OPERATIONS (\$000) ^{1,2}

	Current Month	2020 Year to Date	2019 Cumulative ³
Management Fee Income	\$29	\$29	\$144
General and Administrative Expenses	(14)	(14)	(43)
Operating Income	15	15	101
Other income:	-	-	-
Income from Unconsolidated Associated Companies	59	59	(77)
Interest income - associated companies	-	-	-
Total Other Income	59	59	(77)
Pre-Tax Income	74	74	24
Income Tax Provision	(20)	(20)	(52)
Net Income	\$54	\$54	(\$29)

Footnotes

1) The numbers reflected in the Statement of Operations are shown in THOUSANDS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary and unaudited. The financial position and results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and as a result, may not reflect the consolidated financial position and results of operations of the Debtors in the future.

3) Cumulative results for 2019 are beginning September 1, 2019 as operating results for the partial month from the filing date of September 15, 2019 to September 30, 2019 are not available.

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CONSOLIDATED BALANCE SHEET (\$M) ^{1,2}	
Consolidated Results of Purdue Pharma, L.P. and all Debtors except Purdue Pharma, Inc.	
	Book Value
ASSETS	
CURRENT ASSETS	
Cash & Cash Equivalents	\$1,109
Available For Sale Investments	1
Accounts Receivable, Net	115
Due From Associated Companies	11
Other Receivables	2
Inventories, Net	82
Prepaid Expenses & Other Current Assets	81
Restricted Cash	13
TOTAL CURRENT ASSETS	1,414
Property and Equipment, net	141
Investments at Cost	29
Investments in Associated Companies	-
Restricted Cash - Long-Term	256
Intangible Assets, Net	102
Other Assets	17
TOTAL ASSETS	\$1,959
LIABILITIES AND EQUITY	
CURRENT LIABILITIES	
Accounts Payable	\$54
Accrued Expenses	385
Due to Associated Companies	1
TOTAL CURRENT LIABILITIES	440
Other Liabilities	109
Due to Associated Companies	11
Liabilities Subject to Compromise ³	3,017
TOTAL LIABILITIES	3,577
EQUITY	
Retained Earnings & Partners' Capital	(1,572)
Accumulated Other Comprehensive Loss	(46)
TOTAL EQUITY	(1,618)
TOTAL LIABILITIES AND EQUITY	\$1,959

Footnotes

1) The numbers reflected in the Consolidated Statement of Operations are shown in MILLIONS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary, unaudited, and subject to change.

3) On September 15, 2019, the Company announced that it had reached an agreement in principle on a framework for settling the U.S. opioid litigation facing the Company with twenty-four (24) state attorneys general, analogous officials from five (5) U.S. territories, the Plaintiff's Executive Committee in the MDL, and co-lead counsel in the MDL. In connection with this agreement in principle, the shareholders of the Company are expected to contribute their ownership in the Company to a trust or other entity established for the benefit of claimants and the American people and a minimum of \$3.0 billion, with the potential for substantial further monetary contributions from the sales of their ex-U.S. pharmaceutical businesses. The Company has concluded that for accounting purposes a loss has been incurred and has recorded a provision in the amount of \$3.0 billion, in accordance with ASC 450, Accounting for Contingencies. This accounting provision of \$3.0 billion was recorded retroactively to December 31, 2018. The Company expects this amount to be paid by the shareholders of the Company. The Company will reclassify the liability associated with the cash settlement that is expected to be paid by the Company's shareholders to equity as a capital contribution if the settlement agreement is finalized and executed.

In re: PURDUE PHARMA L.P., et al.,
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PURDUE PHARMA, INC. BALANCE SHEET (\$000) ^{1,2}

	Book Value
Assets	
Currents assets:	
Cash and cash equivalents	\$165
Prepaid expenses	70
Due from Associated Companies	948
Total current assets	1,183
Investments	8,877
Deferred income taxes	147
Total assets	\$10,207
Liabilities and equity	
Current liabilities:	
Accounts payable	\$845
Due to Associated Companies	-
Accrued Expenses	3
Total liabilities	848
Common stock	1
Additional paid-in capital	499
Retained earnings	8,924
Accumulated other comprehensive loss	(65)
Total equity	9,359
Total liabilities and equity	\$10,207

Footnotes

1) The numbers reflected in the Statement of Operations are shown in THOUSANDS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary, unaudited, and subject to change.

In re: PURDUE PHARMA L.P., et al.,
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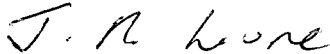
SCHEDULE OF POST PETITION TAXES

Office of the U. S. Trustee

Re: Monthly Operating Report Attestation Regarding Post Petition Taxes

The Debtor, PURDUE PHARMA L.P. and its affiliate Debtors hereby submit this attestation regarding post petition taxes.

All post petition taxes, which are not subject to dispute or reconciliation, are current. There are no material disputes or reconciliations.



Signature

In re: PURDUE PHARMA L.P., et al.,
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SCHEDULE OF PAYMENTS TO INSIDERS (\$)

NAME	AMOUNT PAID DURING THE REPORTING PERIOD	CUMULATIVE ¹
Compensation		
Chomiak, Caroline	25,632	130,537
Kesselman, Marc L ²	166,673	722,298
Landau, Craig J	250,484	1,026,195
Lowne, Jonathan R	83,566	356,913
Lundie, David R	66,665	293,885
Mancinelli II, Vincent F	40,935	180,567
Mazzi, Christian ³	250,000	439,030
Medeiros, Paul	55,950	229,712
Shamblen, Randy	40,066	176,709
Strassburger, Philip C	78,249	320,990
Total Compensation	1,058,220	3,876,835
Director Fees		
Boer, F Peter	175,000	350,000
Buckfire, Kenneth A	175,000	350,000
Cola, Michael	175,000	350,000
Collins, Michael J	-	25,000
Dubel, John	175,000	350,000
Miller, Robert S	208,333	625,000
Muhlhauser, Eckhard	-	25,000
Pickett, Cecil	175,000	350,000
Total Director Fees	1,083,333	2,425,000
T&E Reimbursements		
Boer, F Peter	-	8,163
Buckfire, Kenneth A	-	1,179
Chomiak, Caroline	8,445	29,280
Cola, Michael	764	764
Debone, Louis	-	1,245
Dubel, John	-	3,747
Kesselman, Marc L	6,157	37,940
Landau, Craig J	11,926	42,465
Lowne, Jonathan R	187	788
Lundie, David R	1,238	19,673
Mancinelli II, Vincent F	15,315	38,530
Mazzi, Christian	89	3,734
Medeiros, Paul	1,463	20,815
Miller, Robert S	834	4,413
Pickett, Cecil	-	1,298
Shamblen, Randy	395	9,186
Strassburger, Philip C	3,653	11,283
Total T&E Reimbursements	50,465	234,502
Housing Payments		
Kesselman, Marc L	4,673	23,138
Total Housing Payments	4,673	23,138

Indemnification Payments		
Butcher, James A	-	527
Friedman, Michael	-	25,424
Landau, Craig J	311,009	312,495
Motahari, Saeed	14,320	14,320
Stewart, John	18,913	18,913
Timney, Mark	519	1,508
Total Indemnification Payments	344,761	373,188
Payments to Independent Associated Companies		
Mundibiopharma Ltd	-	55,332
Mundipharma IT Services LTD	227,081	229,088
Mundipharma Laboratories GmbH	138,029	271,128
One Stamford Realty L.P.	742,072	3,222,342
Purdue Pharma Canada	235,670	1,357,101
TXP Services Inc. ⁴	777,242	2,534,306
Total Payments to Independent Associated Companies	2,120,094	7,669,296
Total Payments to Insiders	4,661,547	14,601,960

Footnotes

- 1) Represents payments made since the Commencement Date.
- 2) Automobile allowance for Marc L. Kesselman is partially received in cash and partially through personal usage of a company-owned vehicle.
- 3) Christian Mazzi also received an \$8,392 reimbursement for foreign personal tax preparation services.
- 4) Payments to TXP include a monthly charge of approximately \$58,333 for Anthony Roncalli's service as a Director for Purdue Pharma Inc.

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SCHEDULE OF RETAINED RESTRUCTURING PROFESSIONAL FEES (\$)

NAME	AMOUNT PAID DURING THE REPORTING PERIOD	CUMULATIVE ¹
<i>Estate Professionals</i>		
Davis Polk & Wardwell LLP	-	12,096,909
AlixPartners, LLP	-	696,859
PJT Partners LP	-	-
Prime Clerk LLC	-	1,921,577
Total Estate Professionals	-	14,715,344
<i>Creditor Committee Professionals</i>		
Akin Gump Strauss Hauer & Feld LLP	-	-
Bayard, P.A.	-	-
Jefferies LLC	-	-
Province, Inc.	-	-
Kurtzman Carson Consultants LLC	-	-
Total Creditor Committee Professionals	-	-
<i>Ad Hoc Committee Professionals</i>		
Kramer Levin Naftalis & Frankel LLP	-	909,740
Brown Rudnick LLP	486,901	486,901
Gilbert LLP	-	355,480
Otterbourg PC	-	275,740
FTI Consulting, Inc	-	623,714
Compass Lexecon	-	-
Coulter & Justice	-	-
Total Ad Hoc Committee Professionals	486,901	2,651,575
<i>Special Counsel to the Debtors</i>		
Dechert LLP	-	-
King & Spalding LLP	-	2,142,346
Skadden, Arps, Slate, Meagher & Flom LLP	-	1,427,890
Wilmer Cutler Pickering Hale and Door LLP	-	-
Total Special Counsel Professionals	-	3,570,236
Ernst & Young (Canada), Court Appointed Information Officer	142,079	142,079
Total Retained Restructuring Professional Fees	628,981	21,079,234

Footnotes

1) Represents payments made since the Commencement Date

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DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.	Yes	No	Comments
Have any assets been sold or transferred outside the normal course of business this reporting period?		X	
Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X	
Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X	
Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X	
Is the Debtor delinquent in paying any insurance premium payment?		X	
Have any payments been made on pre-petition liabilities this reporting period?	X		Payments made pursuant to certain First Day Orders were made during the period.
Are any post petition receivables (accounts, notes or loans) due from related parties?	X		Purdue Pharma, LP receives royalties from affiliated entities for foreign sales of certain products.
Are any post petition payroll taxes past due?		X	
Are any post petition State or Federal income taxes past due?		X	
Are any post petition real estate taxes past due?		X	
Are any other post petition taxes past due?		X	
Have any pre-petition taxes been paid during this reporting period?	X		Payments have been made pursuant to the First Day Order authorizing the Debtors to pay certain prepetition taxes
Are any amounts owed to post petition creditors delinquent?		X	
Are any wage payments past due?		X	
Have any post petition loans been received by the Debtor from any party?		X	
Is the Debtor delinquent in paying any U.S. Trustee fees?		X	
Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X	
Have the owners or shareholders received any compensation outside of the normal course of business?		X	